

PROPERTY TAX BASE INFORMATION

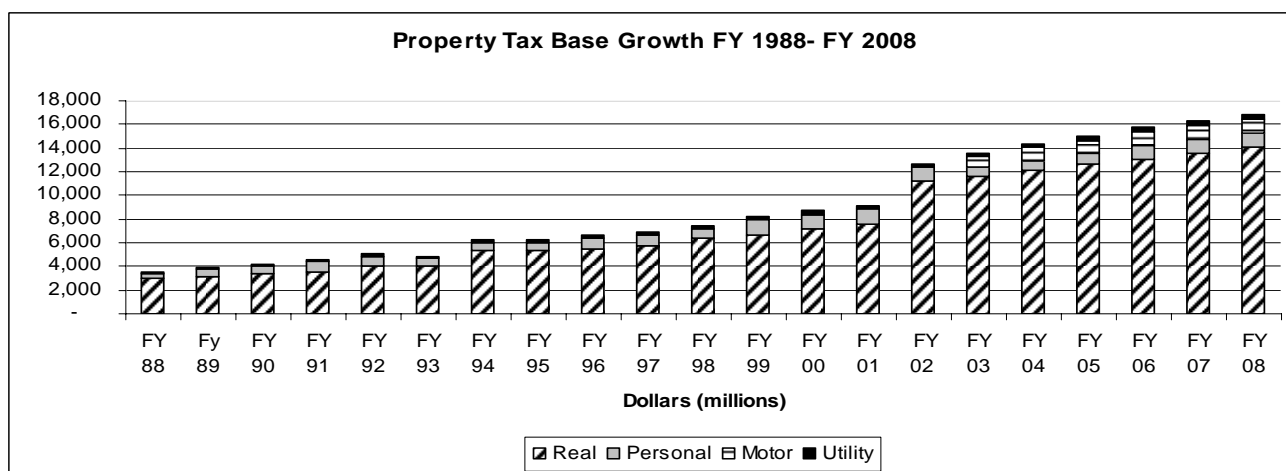
Tax Base Components:

Real Property is comprised of all land and buildings that are taxable. A growth rate of 3.5% is assumed for FY 2007-08 based on data from the County Tax Assessor's Office, historical growth patterns and the rate of development in Durham. Real property makes up approximately 82% of the tax base for FY 2007-08.

Personal Property is comprised of property located in businesses. We assume an increase of 3% based on data from the County Tax Assessor's office and recent trends in this category. Personal property makes up approximately 8% of the tax base in FY 2007-08. Motor Vehicles were included in this category prior to FY 1998-99.

Motor Vehicle is comprised of items such as automobiles, boats, trailers and equipment. We assume no change in value for motor vehicle personal property based on data from the County Tax Assessor's office. Motor Vehicle property makes up approximately 8% of the tax base in FY 2007-08.

Public Utility Property is a state-certified value consisting of businesses such as electric utility, telephone, railroad, and trucking companies. We assume no change in value based on data from the County Tax Assessor's office. Public utility property makes up approximately 2% of the tax base in FY 2007-08.



The table below depicts the annual property valuation changes that have occurred in the four components of the tax base since FY 1997-98. Property is reassessed every eight years. The last revaluation occurred in FY 2001-02. (Sources: City Financial Reports, County Tax Office)

Fiscal Year	Real	% Chg	Personal	% Chg	Motor	% Chg	Utility	% Chg
FY 98	6,329	11.41%	1,259	-5.83%	-	N/A	271	-9.97%
FY 99	6,707	5.98%	775	-38.49%	844	N/A	303	11.70%
FY 00	7,124	6.22%	869	12.18%	1,121	32.86%	313	3.22%
FY 01	7,520	5.55%	954	9.74%	1,125	0.28%	278	-11.01%
FY 02	11,171	48.56%	1,139	19.44%	1,147	2.03%	379	36.31%
FY 03	11,652	4.31%	1,186	4.14%	1,175	2.41%	345	-9.06%
FY 04	12,099	3.83%	1,248	5.23%	1,162	-1.11%	334	-3.18%
FY 05	12,594	4.09%	1,244	-0.32%	1,169	0.60%	324	-2.89%
FY 06	13,086	3.91%	1,347	8.28%	1,212	3.68%	321	-1.03%
FY 07	13,583	3.80%	1,408	4.53%	1,343	10.81%	279	-13.08%
FY 08	14,060	3.51%	1,450	2.98%	1,343	0.00%	279	0.00%